Bunglings in hotels of ITDC

†1919. SHRI MOTILAL VORA: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether it is a fact that Intelligence Bureau (IB) has revealed certain instances of bunglings in various hotels of ITDC on the request of his Ministry;

(b) if so, the full details of the bunglings;

(c) the officials found responsible for this; and

(d) the action Government propose to take against the culprits?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) No, Sir.

(b) to (d) Do not arise in view of reply to (a) above.

Valuation of fixed assets of PSUs

1920 SHRI SUNIL SHASTRI: Will the Minister of DISINVESTMENT be pleased to state:

(a) whether Government propose to direct all Public Sector Undertakings to get their yearly valuation of fixed assets done so as to help determine their values on demand; and

(b) if not, the reasons therefor?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) No, Sir.

(b) Although such a valuation is more appropriate when the enterprise is being wound up, the valuation of the fixed assets of a PSU under disinvestment is taken up as part of the process of disinvestment.

Asset value of disinvested ITDC hotels

1921. SHRI GAYA SINGH:
SHRI J. CHITHARANJAN:

Will the Minister of DISINVESTMENT be pleased to state:

(a) the asset value of various ITDC hotels which were disinvested and sold; and

†Original notice of the question was received in Hindi.

(b) the criteria on whcih the asset values were fixed?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) and (b) Bench marking of the business value of any enterprise including hotel properties of India Tourism Development Corporation Limited (ITDC) on'going concern basis' is done in accordance with the 4 prescribed valuation methodologies *i.e.*, Discounted Cash Flow, Transaction Multiple/Relative Valuation, Net Asset Value and Asset Valuation in order to determine the reserve price. The reserve prices of the ITDC hotel properties for which disinvestment transactions have been finalised are at Statement.

Statement

Reserve prices of the ITDC hotel properties for which disinvestment transactions have been finalised

Sl. No.	Hotel	Reserve Price (Rs. crores)
1.	Ashok Bangalore (including Airport Restaurant) (*Given on 30 years' Lease-cum-Management Contract)*	3.40 (Minimum Guaranteed Annual Payment)
2.	Bodhgaya Ashok	1.67
3.	Hassan Ashok	2.19
4.	Madurai Ashok	3.64
5.	TBABR, Mamallapuram	5.18
6.	Agra Ashok	3.26
7.	Laxmi Vilas Palace Hotel, Udaipur	6.12
8.	Qutab Hotel, New Delhi	31.00
9.	Lodhi Hotel, New Delhi	40.36
10.	Hotel Airport Ashok, Kolkata (including Airport Restaurant)	14.83
11.	Kovalam Ashok Beach Resort	41.75
12.	Manali Ashok	1.91
13.	Hotel Aurangabad Ashok (including Airport Restaurant)	15.05

Sl. No.	Hotel	Reserve Price (Rs. crores)
14.	Khajuraho Ashok	2.01
15.	Varanasi Ashok	5.55
16.	Kanishka, New Delhi	70.90
17.	Indraprastha, New Delhi	18.34
18.	Chandigarh Project	14.01

Disinvestment of BPCL and HPCL

1922. SHRI GHULAM NABI AZAD:
DR. T. SUBBARAMI REDDY:

Will the Minister of DISINVESTMENT be pleased to state:

(a) whether his Ministry has decided for disinvestment of BPCL and HPCL;

(b) if so, whether any modalities for their disinvestment has been decided upon;

(c) if so, the details thereof; and

(d) by when disinvestment process is likely to be started and completed?

THE MINISTER OF DISINVESTMENT (SHRI ARUN SHOURIE): (a) to (c) Government has decided 'in principle' to disinvest a part of its holding in Bharat Petroleum Corporation Limited (BPCL) and Hindustan Petroleum Corporation Limited (HPCL) through strategic sale and appoint Advisors for the purpose.

(d) The Government is in the process of appointment of Advisors. The completion of disinvestment exercise, however, depends on various factors such as market conditions, financial performance of the companies under consideration, terms and conditions of sale, interest of the bidders, time taken for due diligence by the interested parties, etc. Therefore, it is not possible to indicate at this stage, the time by which the disinvestment process of BPCL and HPCL is likely to be completed.